
**DEPARTMENT
POLICY**

Low-income households who meet all State Emergency Relief (SER) eligibility requirements may receive assistance to help them with household heat and electric costs. Funding for energy services assistance is provided through the Low Income Home Energy Assistance Program (LIHEAP). For energy related emergencies, the SER crisis season runs from November 1 through May 31. Requests for those services will be denied June 1 through October 31.

Do not authorize an energy-related SER payment for a household when the head of household, or another adult group member, has already been assisted by a participating Michigan Energy Assistance Program (MEAP) grantee within the current fiscal year. Confirm the receipt of MEAP benefits through the energy provider or MEAP grantee directly.

Deny a request for energy services if the energy provider or MEAP grantee has confirmed that the head of household or other adult group member has received, or is currently receiving, assistance from a MEAP provider for the current fiscal year. The DHS 1419 must refer the client back to the assisting MEAP grantee.

Note: This includes households that are currently enrolled in or who have been terminated from a provider-sponsored program through DTE, Consumers Energy or SEMCO Energy.

If a client is enrolled in a provider-sponsored program through Consumer's Energy, DTE or SEMCO for only **one** energy service, it may be possible for the household to receive SER assistance for the energy service not covered by the provider's program if no other MEAP assistance has been provided.

Information regarding MEAP, participating grantees and a list of providers who have opted out of participating in MEAP, can be found on the Public Service Commission website at, <http://michigan.gov/mpsc/0,4639,7-159-52493---,00.html>.

Michigan law prevents electric companies, who have opted out of collecting the funding factor for MEAP, from disconnecting electric service to their customers between November 1st and April 15th. Deny requests for energy services between November 1st and March 31st if the service provider is a non-participating electric service provider for the current fiscal year. Any customer of a non-

participating or opt-out” provider who applies for SER prior to April 1st must be referred to a MEAP provider for assistance.

SER eligibility for qualifying low-income households whose service provider opted out of collecting the MEAP surcharge resumes on April 1st.

COVERED SERVICES

Heating, Electric or Deliverable Fuels

When the group's heat or electric service for their current residence is in past due status, in threat of shutoff or is already shut off and must be restored, payment may be authorized to the enrolled provider. The amount of the payment is the minimum necessary to prevent shutoff or restore service, not to exceed the fiscal year cap. Payment must resolve the emergency by restoring or continuing the service for at least 30 calendar days. Current bills that are not subject to shutoff should not be included in the amount needed.

Payment may be made on a prepayment account for natural gas or electric services when the balance remaining in the account does not exceed \$100. The SER benefit amount must not exceed the average billing amount for the past six months.

Payment may be made up to the available fiscal year cap for the necessary charges to deliver a 30-day supply of fuel for households that heat with deliverable fuel (fuel oil, propane or coal). Payment for deliverable fuel will not be made if the deliverable fuel tank contains more than 25 percent of its heating fuel capacity. If, upon delivery, the existing supply is greater than 25 percent of the heating fuel capacity, the SER payment shall not be made. For fuel oil and propane, a delivery to fill the tank is considered a 30-day supply. Payment may be authorized for a full tank or as much as can be paid based on the amount remaining in the fiscal year cap.

Note: Wood is not considered a deliverable fuel.

Deposit, Reconnect Fees

Deposits, special trip charges, pilot relights, pressure checks, reconnect fees, and related charges such as storage tank (pig) installation, delivery or rental can be paid if they are necessary to

prevent an emergency and are required by the provider. These fees are **not** included in the fiscal year cap, but do have a dollar limit per occurrence.

SERVICES NOT COVERED

Do not authorize energy services to pay for:

- Repair or protection plans.
- Unauthorized or illegal use.
- Bankrupt accounts.
- Cooking gas; see ERM 302, Utility Services.
- Service used in businesses or nonresidential buildings or facilities such as rental units, garages, stores, or nonresidential farm uses. When a bill represents combined residential and nonresidential or business usage, pay only the residential portion if the utility can provide an approximate breakdown showing the residential use portion and the group applying for energy services pays the nonresidential costs. In the case of a client who works in their own home, if the bill is in the client's name and the service address is the same as the client's residence address, it is considered a residential bill and payment may be authorized. If the bill is in the name of the client's business, it is considered a commercial bill and payment cannot be authorized.

Exception: Payment shall not be issued for energy services when the usage is in violation of the federal law.

Example: A client has requested assistance for an electric shut off which includes costs associated to manufacturing "medical" marijuana. The client is not eligible for SER since federal law, 21 U.S.C. 841(a) prohibits the manufacturing of marijuana.

- Air conditioning billed separately from residential electric service.
- Common meter/service situations. This occurs when one meter or heat/electric unit services more than one residential unit or residence. If the energy provider can verify the group's actual

usage and the provider will accept the SER group's portion and maintain services, payment may be made in full.

- Back rent when the client has a judgment which includes money owed on a heat or electric bill. This is considered a relocation service, not an energy service.

Example: A client has requested payment for eviction which includes money owed on a heat or electric bill. The landlord has paid the bill up to date with the provider, but the client has not paid the landlord for the heat/electric, which is part of the rental agreement. The heat/electric payment would be included as part of the total amount needed to prevent eviction.

- Payments to residential landlords, residential management companies, billing service agencies, or collection agencies are not eligible to receive emergency service (ES) or SER funds, as they are not the actual service provider. Examples of third party billing companies who are not eligible providers include:
 - Universal Utilities.
 - D & B Billing Services.
 - Electrical Inspection Company.
- Emergencies when the head of household or adult group member has already been assisted by a participating MEAP grantee within the current fiscal year.
- Secondary household fuel types. Payment may only be approved for the primary heating source.

ELIGIBILITY CRITERIA

- The client must complete the DHS-1514, Application for State Emergency Relief or submit an application electronically through MiBridges, no additional application is needed.
- All household members are included in the SER group.
- Income of all household members is budgeted.
- Assets of all household members are budgeted.

- Income verification used for current eligibility for any other MDHHS administered program may be used, if available. If not available, income must be verified.
- There is no income copayment for energy-related services. The household income must be at or below the LIHEAP income limit for the group to qualify for SER. See EXHIBIT II - SER INCOME NEED STANDARDS FOR ENERGY/LIHEAP SERVICES in ERM 208.
- A determination of required payments must be made.
- The bill must be connected to the group's current address. If the bill, including old or transferred balances, must be paid to start or maintain service at the current or new address, payment may be authorized up to the fiscal year cap, as long as the payment resolves the emergency.
- The household fuel type must be correct for the type of payment requested.
- The requested amount in Bridges must match the amount on the past due or shut off notice/bill, or the declared amount needed for a deliverable fuel. If there is a discrepancy in the amount needed to resolve the emergency, there must be documentation in the case record.

Note: The requested amount for a prepayment account must equal the group's average billing amount for the past 6 months.

- Verification that the client has paid any shortfall and/or client contribution must be obtained prior to the MDHHS payment being issued. If the client has entered into a payment agreement with the energy provider, an electronic verification from the provider, or the provider's secured website, indicating that the client has entered into a payment agreement, is acceptable verification that the client copay has been met. A copy must be placed in the case record.

Note: The MDHHS payment cannot be released until the provider has verified that the client has entered into a payment arrangement for the copayment amount not covered by MDHHS. In the event that a subsequent application or service request is submitted, the worker must verify that the client has paid their shortfall and/or contribution amount since the date the arrangement was made and the MDHHS payment was

authorized. If the client fails to pay their copayment through the payment arrangement, no additional energy-related SER payments can be authorized.

- All other non-financial eligibility requirements must be met.
- Payment can only be made to an enrolled energy provider, see ERM 401, Payments.

ENERGY REQUIRED PAYMENTS

To be eligible for energy service assistance, a SER group must make required payments toward their energy service. The required payment amounts are based on the group size and service (heat or electric); see the Table of Monthly Energy Required Payments in this item.

The energy required payment period is the six-month period prior to the month the SER group applies for assistance, regardless of previous approvals. It applies even if the client has never requested or received SER energy services in the past six-months. For example, if the group applies for heating assistance on January 13, the required payment period is July through December.

Energy required payments are met if the amounts paid by the group for heating fuel and/or electricity equal or exceed the table amounts for the required payment period.

Required payments must be met for each month the SER group has an obligation to pay for the service. Failure to make required payments may result in a shortfall.

Two methods for determining required payments are available. Use the method that is most beneficial for the client:

Method 1: Apply only the payments made for the service requested.

Client applies for electricity. The following must be entered into Bridges on the *Required Payments* screen for each month of the required payment period:

- Information about the household size.
- Household income.
- Obligation to pay for the service.

- Amount paid on the electric bill.
- Verification source for the electric payment.

Method 2: Apply payments made for both heat and electricity.

Client applies for deliverable fuel. Client has made electric payments but few or no heat payments. For each month of the required payment period the following must be entered into Bridges:

- Information about the household size.
- Household income.
- Obligation to pay heat and electric services.
- Amounts paid for both heat and electricity.

Previously issued SER and MEAP funds **cannot** be used to make required payments. Contributions from any other source, including Home Heating Credits applied to the group's account, can count toward required payment amounts.

Vendored Payments

Required payments are considered met if the household has made vendor payments during the entire required payment period **and** all persons in the home are included in the vendor payment amounts.

If the case was not vendored for the entire required payment period, use the Table of Monthly Energy Required Payments in this item and include vendored payments in the six-month payment calculation.

SER groups with an SSI recipient are **not** automatically eligible due to vendor payments. The SER group is responsible for any payment differences not paid to a provider(s) on behalf of the SSI group member.

TABLE OF MONTHLY ENERGY REQUIRED PAYMENTS

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SER Group Size	Heat Required Payment	Electric Required Payment	Total Monthly Required Payment
1	\$40	\$22	\$62
2	\$53	\$29	\$82

TABLE OF MONTHLY ENERGY REQUIRED PAYMENTS			
SER Group Size	Heat Required Payment	Electric Required Payment	Total Monthly Required Payment
3	\$64	\$35	\$99
4	\$78	\$42	\$120
5	\$90	\$48	\$138
6	\$107	\$58	\$165
For each group member over 6 add	\$10	\$6	\$16

Good Cause

If required energy payments have not been met based on the information entered into Bridges, good cause for non-payment may exist; see ERM 204, Client-Caused Emergencies. Failure to make required payments without good cause may result in a shortfall.

If good cause does not exist, the shortfall must be paid before any SER payment can be authorized. The group has 30 calendar days, beginning with the date of application, to provide verification to the worker that the shortfall payment has been made or will be made by another agency or organization. A shortfall cannot be waived.

Once the client returns the verification, the worker must enter the information in Bridges. If the client fails to provide verification by the deadline, the worker must complete the Client Paid Amounts screen by indicating that the verification was not received. No SER payment will be made if the client fails to return verification by the deadline.

Verification

Verify that required payments have been made by any of the following:

- Receipts from the provider(s).
- Statement from the provider(s).
- Phone call/fax/email from the provider(s).
- Provider's secured website.
- Provider's electronic interface data, located on the PDF of an online application.

Decision Notice

The DHS-1419, Decision Notice, must be sent to the client for every energy request. The notice must include the required payment amounts to inform the client of their obligation; see ERM 103, Application Procedures.

SALES TAX ON DELIVERABLE FUELS

Most payments for deliverable fuels are subject to sales tax. The only MDHHS payments for deliverable fuels under SER that are **not** subject to sales tax are those for clients who have their delivery pre-authorized with a signed DHS-849, Authorization/Invoice.

Be sure the provider has their copy of the DHS-849 **before** they provide the service.

TRIBAL PAYMENTS

Indian tribal organizations may receive LIHEAP funds directly from the federal government to help with heat, electric and furnace repair bills. Payments are made available by the tribal organization to the members of the tribe, usually in the form of direct payments to the provider. The tribal members may apply for SER but payments are limited to the highest amount available either from MDHHS or the tribal organization.

The worker must notify the program office, via an email to: Policy-SER@michigan.gov, of the tribal LIHEAP payment so the fiscal year cap can be adjusted.

To avoid duplicate payment, verify any tribal LIHEAP authorizations. Notify Front End Eligibility (FEE) if necessary.

VERIFICATION OF NEED AND COST OF THE EMERGENCY

Verify past due status, threatened shutoff or the need for reconnection of natural gas or electricity, by contacting the energy company. For SER groups who have a prepayment account, verify that their prepayment balance does not exceed \$100. Contact can be in the form of a written notice, telephone call, fax, email or

information on the provider's secure website. The case file must contain documentation of this verification.

Verify the need for deliverable fuels by the statement of the group.

Verify the date of application for weatherization services by obtaining a statement from the local community action agency.

Document need in the SER packet; see BAM 300, The Case Record.

A bill must be obtained before authorizing a payment. A fax, email or scanned copy of the bill received directly from the provider is acceptable as long as it includes all the pertinent information that would be included on the actual bill.

Exception: The specialist may only use a DHS-223, Documentation Record, for deliverable fuels, wood and other non-traditional heating source estimates or to clarify discrepancies. The DHS-223 may not be used as a verification source for natural gas, non-heat electric or other energy types that receive monthly statements and shut off notices. Documentation on the DHS-223 must include:

- Date.
- Client name and case number.
- Amount needed to resolve the emergency.
- Name on account.
- Any other pertinent account information.
- The name of the person at the utility company who provided the information along with the signature of the MDHHS staff person obtaining the information.

Photocopies of bills are not accepted.

The original bill, including scanned copies, fax, email or DHS-223 must be attached to the original DHS-849 and forwarded to the fiscal unit. See ERM 401, Payments, for the proper use of the DHS-849.

PAYMENT LIMITS

Effective

October 1, 2013

Energy Type	Service Code	Fiscal Year Cap
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Natural gas and wood	63	\$850
Deliverable fuel (fuel oil, propane, coal)	63	\$1200
Other fuel (kerosene, corn pellets, cherry pits, etc.)	63	\$850
Residential electric (not used for heat)	65	\$850
All-electric home (combined heat & residential use)	64	\$850
Security deposits/fees for energy service	26 (heat)/27 (electric)	\$200 per occurrence

Authorizations

Before authorizing the department's portion of the cost of services, verify that the income copayment, asset copayment, shortfall, and/or contribution have been paid by the client or will be paid by another agency. Approve payments if it will resolve the emergency and if the energy provider will maintain or restore service for at least 30 days. Do not authorize any energy services payment that will not resolve the current emergency, even if the payment is within the fiscal year cap.

Note: Additional payments made by another agency, which reduce the client's total bill to a zero balance, should not reduce the SER payment. The MDHHS payment is not reduced when another agency is paying the client's current balance (the amount NOT subject to shut off) so the client's account will have a \$0 balance. If you are unsure if the additional agency commitment results in \$0 owed on the account, please confirm the information with the energy provider.

Payments are applied to the cap of the client. Client is defined as the applicant for or recipient of SER and includes all group members. Every individual in the group who benefits from the payment, including minor children, will have payments applied to their individual cap. The payments applied to the cap follow the individual even if they move from one household to another.

Example: A SER payment is made for heat on the mother's case. The payment applies to the mother's cap and to all the children who

live with her. One child leaves the home and moves in with the father. The father then applies for SER for heat. The child's cap is applied to the father's eligibility determination because the child has benefited from the previous heat payment.

Bridges tracks all energy service authorizations and cap limits for each individual. In order to view the payment caps, complete an inquiry in Bridges for each SER group member. Caps can be viewed in *Benefit Issuance/SER Adjustments/View SER Cap*.

ACCESSING CLIENT ENERGY ACCOUNT INFORMATION

Several energy companies now allow clients the ability to access their account information via their company's website. This may be helpful if the client receives a shut-off notice and requests SER assistance.

Each energy company has different requirements and provides different information.

On-line Account Access

DTE – Online Resource for Agencies (ORA)

URL: <http://www.detroitdison.com>

Consumers Energy – Consumers Energy Portal for Agency Self Service (CE PASS)

URL: <https://www.consumersenergy.com/cepass>

MDHHS Local Office Security Coordinators and their backups are the designated account administrators for DTE and Consumers Energy online access. Security Coordinators are responsible for enrolling staff and maintaining appropriate access to ORA and CE PASS for the purpose of determining SER eligibility.

Changes to Local Office Security Coordinators should be reported directly to the SER policy mailbox, do not contact DTE or Consumers Energy directly with these requests.

- All MDHHS staff and managers who intend to use the online access must be trained and supplied with a user ID and password prior to use.
- All trained staff and managers are allowed to access the website to obtain payment history, other account information, and to allow a confirmation of payment.
- MDHHS staff can print and use the account statement provided on the website in lieu of an actual bill. If the online statement is used, a copy must be attached to the DHS-849 for fiscal. Another copy must be retained in the case record.
- In addition, if the shutoff or restore service amount is verified on the self-service application, this can also be used in lieu of an actual bill.
- MDHHS staff is allowed to submit a payment confirmation via the website. The commitment requires the approved DHS-849 invoice number and amount.
- MiBridges and the DHS-1514 include a disclaimer to allow access to account information with energy providers via fax, email, and phone or company website. When the client signs the application (which is required for all SER energy requests), they are giving MDHHS staff permission to access the site. No separate release of information is required.
- The website is to be used for business purposes only and is not for unauthorized or personal use.

LEGAL BASE

Mich Admin Code, R 400.7001 et seq.